The Influence of Green Brand Benefit and Green Brand Innovativeness on Brand Loyalty with Green Brand Image as Mediating on (P&G) Brand Products in Padang City

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ABSTRACT

This research purpose to review the influence of green brand benefit and green brand innovativeness on brand loyalty by using variable mediation green brand image on toiletries products brand Procter and Gamble (P&G) in Padang City. The type of toiletries products focuses on shampoo products. This is causative research with purposive sampling methods. The sample of the study is 192 respondents who were living in Padang City. The data analysis is performed using SmartPLS 3.0. The results showed that that green brand benefit has a positive impact but insignificant effect on brand loyalty. Green brand benefit has a positive result and significant effect on green brand image. Green brand image has a positive and significant effect on brand loyalty. Green brand innovativeness has a positive and significant effect on brand loyalty. Green brand innovativeness has a positive and significant effect on green brand image. Furthermore, the analysis shows that green brand image mediates a positive and significant influence between green brand benefit and green brand innovativeness on brand loyalty.

Keywords: brand loyalty, green brand benefit, green brand innovativeness, and green brand image.

1. INTRODUCTION

The idea of green marketing has dramatically increased in recent years, as evidenced by the growing number of environmentally friendly goods available on the market. When businesses begin to meet the needs that can minimize emissions, the growth of environmentally friendly goods becomes phenomenal.

The term green marketing comes to the fore as a reaction from companies to create environmentally minded innovations. Green marketing then becomes an efficient strategy that makes the company's view and gives benefit to the company's business profile.

People are increasingly concerned about environmentally friendly products. Protect and Gamble, or P&G, is one of the world's largest FMCG businesses, and environmental protection is one of the company's most significant commitments. P&G's idea is to build more value for the business and customers while driving and inspiring positive impacts for the environment and people.

Furthermore, as a sustainability goal, P&G has environmental sustainability ambitions by 2030. They want the P&G brand to have a positive impact on the community. As a result, P&G prioritizes social responsibility and environmental sustainability, incorporating into every other line of their brand.

P&G companies are also developing solutions to ensure that no product packaging is wasted at sea. They are also collaborating with regional organizations that mostly share the same vision as the Trash Free Seas Alliance to find solutions to plastic waste in the ocean.

Based on P&G's 2019 Citizenship Report, P&G has developed packaging for e-commerce that uses 50% less plastic. They have also invented the technology that restores polypropylene used to recycle resins and make them look new again. P&G also helped get started and has taken a leadership role in the alliance to end plastic waste.

P&G is capable of successfully developing the concept of green marketing products. P&G is ranked seventh among the world's top 25 most innovative companies, Kotler [1]. P&G's marketable products

include baby care, fabric care, women's care, body care, hair care, toiletries, home care, health care, and skincare.

Toiletries, also known as toiletries products, is a business that manufactures items that the general public requires daily, especially personal care items such as bath soap, shampoo, and toothpaste.

P&G firms have adopted environmentally conscious marketing for their shampoo products. They created technologies to revolutionize recycling by turning beach plastic into shampoo bottles, and they use their products to promote social change. They often develop new ways to make shampoos that don't need water (dry shampoo) so that customers don't have to wash their hair as much, saving time.

The green marketing strategy is expected to affect the brand loyalty of consumers. Brand loyalty by customers involves the confidence of customer loyalty in a product, so there is a sense of curiosity to make a repurchase. This illustrates how strong a consumer's preference for a brand is when compared to other brands.

Developing a loyal consumer brand is beneficial to a company if that consumer also becomes a re-user of their product. The benefits, innovations, and brand image of a product should all influence brand loyalty. This can cause consumers to buy a product repeatedly, resulting in loyalty.

A similar study conducted by Lin et al. [2], titled Green Brand Benefits and Their Influence on Brand Loyalty, stated that practical benefits and benefits are positively related to environmentally friendly brand image. Functional benefit benefits have a much stronger effect in improving the perception that brands have concern for the environment and meet consumer commitments.

Similarly, in his paper How Does Brand Innovativeness Affect Brand Loyalty?, Ravi Pappu [3] examines how brand innovativeness affects brand loyalty and concludes that brand innovation impacts intangible assets brand loyalty. The effects of the consumer-level invention are also mixed.

2. THEORETICAL BASIS

2.1. Brand Loyalty

According to Schiffman & Wisenblit [4], brand loyalty is a measure of how frequently consumers purchase a specific brand. According to Sumarwan (2014), brand loyalty is defined as a customer's positive attitude toward a brand and a strong desire to buy the same brand in the present and future.

Chang et al. [5] define brand loyalty in green marketing as a form of environmental concern as one of the essential determinants that will includ in influencing consumer loyalty to eco-friendly brands.

2.2. Green Brand Benefit

Brand benefits are typical values and advantages offered by a brand to consumers that allow consumers to feel the benefits. What is offered suits their needs, desires, dreams, and obsessions. The functions and benefits of values and benefits can be functional, emotional, symbolic, or social, Liao et al. [6].

According to Lin et al.,[2], using general (or useful) or behavioral (or expressive self) benefits contributes to the explanation of green brand loyalty. Practical benefits refer to product attributes that fulfill consumer applicable requirements. However, it refers to the behavioral benefits of product attributes that meet the social expression of consumers.

2.3. Green Brand Innovativeness

According to Hetet [7], brand innovativeness is defined as brand innovation and the extent to which consumers consider brands capable of providing something new and valuable solutions for their needs.

According to Ravi Pappu [3], brand innovation is similar to consumer perception and refers to consumer perception of the brand's ability to introduce innovation into the market.

Green brand innovativeness is defined by Lin et al. [8], as consumer perception of eco-friendly brand innovation that is based on a brand's ability to satisfy its environment by extending new and valuable recommendation.

2.4. Green Brand Image

A brand is the identity of a product or service that allows it to be characterized by others. The customer's perception of a product or service represented by the brand is referred to as a brand image, Danang Sunyoto [9].

Chen et al. [10], describe a green brand image as a collection of expectations of a brand that are associated with environmental sustainability in the minds of consumers. A strong brand image will be able to entice consumers to purchase products from the brand.

2.5. Conceptual Framework

The conceptual framework shows the influence of independent variables on dependent variables through intervening variables. The dependent variable in this study was brand loyalty. Independent variables include

green brand benefit and green brand innovativeness. The mediation variables in this study are green brand image.

Consumers would be loyal to a brand if it provides benefits that are in business with their preferences. This is supported by Cronin [11], who suggests that brand loyalty can increase if the product's feature follows what customers expect.

Organizations that want to increase brand loyalty to eco-friendly brands must improve consumer perceptions of eco-friendly brand innovation. Furthermore, brand image influences purchasing decisions and reveals brand loyalty.

To provide a clear picture, the conceptual framework of this study can be seen in the following figure :
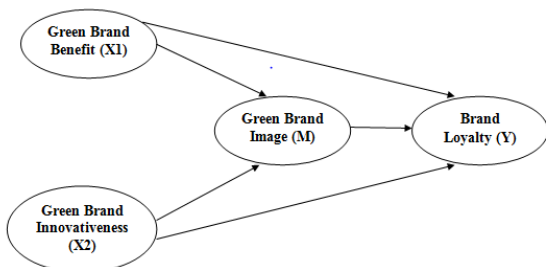

Figure 1. Conceptual Framework

2.6. Hypothesis

Based on the conceptual framework of this research, there are seven hypotheses, explained in the folowing section:

H1: Green brand benefit has a positive impact on brand loyalty in P&G products.

H2: Green brand innovativeness has a positive impact on brand loyalty in P&G products.

H3: Green brand benefit has a positive impact on green brand image in P&G products.

H4: Green brand innovativeness has a positive impact on green brand image in P&G products.

H5: Green brand benefit has a positive and significant effect on brand loyalty through green brand image as a mediating on P&G products.

H6: Green brand innovativeness has a positive and significant effect on brand loyalty through green brand image as a mediating on P&G products.

H7: Green brand image has a positive impact on brand loyalty in P&G products.

3. METHOD

The research analysis used a kind of causative, which attempts to evaluate the causal relationship of a phenomenon or problem-solving study to see how much the exogenous variable influences endogenous variables. Then, using Partial Least Square Software, a questionnaire was distributed to 192 respondents of P&G brand shampoo products in Padang City.

The sampling technique that will be used is the purposive sampling method, which is included in the non-probability sampling method because it has unique criteria. For example, this particular criterion is considered to know best about what we expect, or perhaps he or she as a person who will make it easier for researchers to explore the objects or social situations studied, Sugiyono [12].

4. RESEARCH RESULTS AND DISCUSSION

4.1. Research Results

This path analysis research using SEM approach. And analysis tools used with Smart PLS 3.0.

Table 1. Data Processing Results of Partcipants

Participants	Frequency	Percents (%)
Gender		
Male	98	51,4%
Female	94	48,6%
Age		
<20 years	21	10,8%
21-30 years	138	73,6%
31-40 years	23	10,8%
41-50 years	6	2,8%
>50 years	4	1,9%
Occupation		
Student	58	32,5%
Civil servants	14	8%
Private companies	76	37,3%
Entrepreneurial	30	14,6%
Housewives	12	5,7%
Other	2	2%
Income		
<Rp 1.000.000,-	60	31,6%
Rp 1.000.000 up to Rp 2.500.000,-	88	45,3%

Rp 2.500.000 up to Rp 5.000.000,-	36	19,3%
Rp 5.000.000,- up to 7.500.000,-	4	1,9%
> Rp 7.500.000,-	4	1,9%

Based on the data above, it can see that the dominant gender is male, there are 98 people (51.4%). The dominant age is 21-30 years (73.6%). The most occupation is from private companies 76 people (37.3 %). The most income of respondents is amount Rp 1.000.000 - Rp 2.500.000,- showed that 88 people (45,3%).

4.2. Outer Model

Outer model analysis is used to test the validity and indicator reliability on latent variables. Criteria in use outer model data analysis technique with SmartPLS by checking at the validity and reliability.

Table 2. Results of test reliability and validity analysis

	Cronbach Alpha	rhoA	Composite Reliability	AVE
Brand Loyalty	0.918	0.919	0.935	0.675
Green Brand Benefit	0.915	0.918	0.932	0.663
Green Brand Image	0.939	0.940	0.948	0.672
Green Brand Innovativeness	0.917	0.917	0.935	0.707

Sources: Primary Data Processed, 2021

The AVE value shows that for each construct is greater of 0.5. Thus the convergent validity in outer model measurement model can be sure to be valid result.

4.3. Inner Model

This test can be evaluated by looking at the R-square value. Test this to determine the effect of the independent variable on the variable dependent. The R-square value of this study is:

Table 3. Data Processing R-Square

Variable	R Square	R Square Adjusted
Brand Loyalty	0.711	0.706
Green Brand Image	0.784	0.782

Sources: Primary Data Processed, 2021

The results in the table 3 showed that R square brand loyalty is 0.711 so green brand benefit and green brand innovativeness explain the brand loyalty variable at 71.1%, other constructs explain the remaining 28.9% outside in another research.

R-square green brand image of 0.784 shows that green brand benefit, green brand innovativeness and brand loyalty explains the green brand image variable of 78.4%, while the remaining 22.6% is on another research.

4.4. Hypothesis Testing Result

The data results of hypothesis based on the results of inner testing model that includes parameter coefficients and t-statistics. To check whether a hypothesis can be accepted or not accepted including by pay attention to the significance value or construct, t-statistics, and p-values. These values can be seen from the bootstrapping results. Rules of thumb used in this study is a hypothesis that has beta coefficient is positive with a significance level of p-value 0.05 or (5%).

4.4.1 The direct influence hypothesis

Hypothesis 1: The outcome of the first hypothesis test showed positive results but did not significant value due to the p-values > 0.05 of 0.629 and the value of t statistic less than 1.96 which is 0.483. This indicates that green brand benefit to brand loyalty has a positive effect and insignificant result. Thus it show be exhibited that the hypothesis is rejected.

Hypothesis 2: The outcome of the second hypothesis test showed positive results that can be seen through the result of p-values < 0.05 which is 0.002 and t statistic value > 1.96 which is 3,111. This indicates that green brand benefit to green brand image has a positive and significant effect. So that it show be exhibited that the hypothesis is accepted.

Hypothesis 3: The outcome of the third hypothesis test showed positive results that can be seen through the result of p-values < 0.05 which is 0.001 and t statistic value > 1.96 which is 3,281. This indicates that the green brand image against brand loyalty has a positive and significant effect. So that it show be exhibited that this hypothesis is accepted.

Hypothesis 4: The outcome of the fourth hypothesis test showed positive results that can be seen through the result of p-values < 0.05 which is 0.000 and t statistic value > 1.96 which is 4,810. This shows that green brand innovativeness brand loyalty has a positive and significant effect. Thus it can be exhibited that the hypothesis is accepted.

Hypothesis 5: The outcome of the fifth hypothesis test showed positive results that can be seen through the result of p-values < 0.05 which is 0.000 and t statistic value > 1.96 which is 5,409. This shows that green brand innovativeness green brand image has a positive

and significant effect. It shows be exhibited that this hypothesis is accepted.

Table 4. Result of Direct Hypothesis Test

	Original Sample(O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDDEV)	P Value
Green Brand Benefit ➔ Brand Loyalty	0,052	0.045	0.108	0.483	0.629
Green Brand Benefit ➔ Green Brand Image	0.325	0.330	0.105	3.111	0.002
Green Brand Image ➔ Brand Loyalty	0.325	0.349	0.107	3.281	0.001
Green Brand Innovativeness ➔ Brand Loyalty	0.472	0.483	0.098	4.810	0.000
Green Brand Innovativeness ➔ Green Brand Image	0.592	0.587	0.109	5.409	0.000

Sources: Primary Data Processed, 2021

Table 5. Calculation of Indirect Variable Coefficients

	Original Sample(O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDDEV)	P Value
Green Brand Benefit➔ Green Brand Image ➔ Brand Loyalty	0,114	0.116	0.054	2.137	0.033
Green Brand Innovativeness ➔ Green Brand Image ➔Brand Loyalty	0.208	0.205	0.073	2.866	0.004

Sources: Primary Data Processed, 2021

4.4.2 The indirect effect hypothesis

Hypothesis 6: The outcome of the sixth hypothesis test are positive which can be demonstrated through the results of the t statistic > 1.96 which is 2.137 and p values < 0.05 which is 0.033. With thus green brand benefit mediated by green brand image positive and significant effect on brand loyalty. So the hypothesis is accepted.

Hypothesis 7: The outcome of the seventh hypothesis test were positive that can be demonstrated through the results of the t statistic > 1.96 which is 2.866 and p values < 0.05 which is 0.004 with thus green brand innovativeness mediated by green brand image positive and significant effect on brand loyalty. So the hypothesis is accepted.

4.5. Discussion

Green brand benefit variables have a negative result and not significant on brand loyalty. This suggests that the benefits consumers affect are unable to improve their loyalty attitudes. The findings of this study differ from that of Lin et al. [2] study, which found that green brand benefit positively affects brand loyalty.

Green brand benefit shows a positively and significant result on green brand image. This finding research also same with Bashir et al. [13] that green brand benefit has a positive and significant impact on green brand image. Furthermore, consumers' perspectives of increased general and behavioral benefits will improve green brand image at first, and their green brand recommendations, credibility, loyal customers, and company's viewpoint.

The green brand image variable shows positive results and significant impact on brand loyalty. This suggests that the better brand image in the minds of consumers will increase their loyalty on a product. This research study is same with Nadu et. al [14], which

states that green brand trust and image brands play a key role in purchasing and show loyalty to the brand.

Green brand innovativeness shows a positively and significant effect on brand loyalty. This research is in line with study by Ravi Pappu [3], which suggests that brand innovation affects intangible assets such as consumer loyalty to brands. Consumer-level innovation effects offers mixed results as well.

The green brand innovativeness shows a positively and significant effect on green brand image. This research is same with Nysveen [15], who said that the positive influence of brand innovation perception and green brand image on the company would show the positive impact of brand innovation perception on the perceived green brand image.

Green brand benefit has a positive and significant effect on brand loyalty through green brand image. When a green brand benefit is implemented well in P&G products, it will create an excellent green brand image, and an excellent green brand image will strengthen brand loyalty. This finding is related to research from Bashir et al. [13], which found that the function of green brand image as a mediating will benefit the company's customers.

Green brand innovativeness has a significant influence on brand loyalty through green brand image. This shows that green brand image variables can increase the effect of green brand innovativeness on brand loyalty and provide a positive mediating impact. When there is the best innovation in a product, it will create the best brand image, and the presence of the best brand image will strengthen brand loyalty. Brand innovation considered a critical aspect in developing a good reputation and gain new customers. Results of innovation products created by P&G companies create a positive impression in the minds of customers who will create the loyalty to prepurchase the product. Customer P&G shampoo products in Padang city to defend the brand P&G because P&G product innovation is their solution to stay environmental sustainability. This is similar to the research conducted by Hanaysha [16], product innovation and product quality have a significant influence on relationships with brand image.

5. CONCLUSIONS AND SUGGESTIONS

5.1. Conclusion

The conclusions from this research by checked of hypothesis are:

1. The research processes evidence that green brand benefit has a positive result and insignificant effect on brand loyalty.

2. The analysis shows that green brand benefit variables have a positive and significant effect on green brand image.

3. The analysis concluded green brand image has a positive and significant effect on brand loyalty. This shows that the strong of green brand image, the stronger of the brand loyalty.

4. The research processes that green brand innovativeness has a positively and significantly outcome on brand loyalty. This shows that the intense green brand innovativeness will strengthen brand loyalty.

5. The research processes that green brand innovativeness has a positively and significantly effect on green brand image. This shows a strong green brand innovativeness will strengthen the green brand image.

6. The research results shows that green brand image mediates a positive and significant influence between green brand benefit on brand loyalty.

7. The research results shows that green brand image mediating a positively and significantly outcome among green brand innovativeness on brand loyalty.

5.2. Suggestion

The suggestions are obtained that can be used as a reference for related parties. The recommendations for this research are:

1. In further research it is recommended to examine other variables related to environmentally friendly product loyalty.

2. It is recommended that the following studies use other variables on the P&G product and add additional variables that are likely to affect the company's loyalty.

3. It is better to conduct next research by developing a wider range of respondents.

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